

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

March 26, 2001
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Mosher, Deputy Mayor Marshall, Councilmembers Creighton, Davidson, Degginger, Lee, and Noble

ABSENT: None.

1. Executive Session

Deputy Mayor Marshall opened the meeting at 6:00 p.m. and announced recess to executive session for approximately 30 minutes to discuss one item of labor negotiations. The meeting resumed at 7:00 p.m. with Mayor Mosher presiding.

2. Oral Communications

- (a) Stephanie Carlyle, a freshman at Bellevue High School, has been a member of the Kelsey Creek Kickers program for four years. She said the program has taught her responsibility, teamwork, and how to work with animals and children. It has helped her to gain confidence and improve her communication skills. Stephanie enjoys learning from the adult mentors and teaching others in the program.

Amanda Shocker, a 14-year-old member of the program, said the Kelsey Creek Kickers work with the ponies at Kelsey Creek Farm and lead pony rides at special events. Members learn about self-sufficiency, helping others, and all aspects of animal care. Amanda thanked the Council for its support of the program. She invited Council and the public to the annual Sheep Shearing event at Kelsey Creek Farm on Saturday, April 7.

- (b) Bernie Goddard, representing the 108th Avenue SE Community Association, read and submitted a letter sent to the City's Transportation Director on March 23. The letter and attachment discusses residents' concerns about traffic problems and solutions as reflected in a survey conducted by the Association.

3. Study Session

- (a) Council New Initiatives

Mayor Mosher, Mr. Degginger, and Mr. Lee attended the Medal of Honor ceremony on Sunday and the rededication of the U.S. District Courthouse, renamed to honor Private First Class William Nakamura, on Monday. Mr. Lee feels it is especially important for young people to know about these American heroes. He read from a commendation prepared by President Bush:

“As young men, Mr. Nakamura and Mr. Okubo left internment camps in Idaho and Wyoming and joined many other Japanese-Americans in proudly serving their country as members of the 442nd Regimental Combat Team. During a fierce firefight near Castellina, Italy, Private First Class Nakamura distinguished himself by pinning down enemy machine gunners so that his platoon could withdraw to safety. In France, Technician Fifth Grade Okubo, a medic, rescued and treated wounded comrades despite the constant barrages of enemy small arms and machine gun fire. In each case, Private First Class Nakamura and Technician Fifth Grade Okubo displayed extraordinary heroism and a devotion to duty that exemplifies the highest traditions of military service. Their sacrifices for our freedom, and the freedom of others around the world, will not be forgotten.”

Mr. Lee suggested that Bellevue sponsor a commemoration of some type, perhaps by dedicating a week to recognize Private First Class William Nakamura and Technician Fifth Grade James Okubo.

(b) Regional Issues

Assistant City Manager Karen Reed introduced Alison Bennett, Utilities Policy Program Manager, to discuss wastewater rates and energy costs. Ms. Bennett said the King County Council is considering a motion to increase wastewater rates and preserve its financial credit rating. Energy rates continue to increase, and the County's bond rating agencies have requested changes to the County's financial policies in order to protect its high credit rating. The Regional Water Quality Committee has established a task force, with Dr. Davidson as Bellevue's representative, to address policy issues. Ms. Bennett requested Council direction to guide the City's participation in these discussions.

Ms. Bennett said the County is involved in energy cost negotiations with Puget Sound Energy, as their current contract expires in October. The County is considering the use of a hedge contract to maintain current rates through October and will be developing a long-term solution as well. Attachment A (Page 4 of the Regional Issues packet) presents projected wastewater rates based on energy costs and financial policy revisions.

Ms. Bennett reviewed the issues to be considered by the Regional Water Quality Committee Task Force (Page 3):

1. Should King County consider scaling back or delaying certain programs or projects currently provided for in the Regional Wastewater Services Plan, such as the water reuse program or the inflow/infiltration program? Should King County consider other operating budget cuts?
2. Should the County's credit rating issue be separated from the energy cost issue and addressed at a later time?
3. Should Bellevue oppose any attempt to propose contract amendments?

Dr. Davidson said the County's current recommendation represents an 18.8 percent increase in wastewater rates previously agreed to for a three-year period. He said the County attributes the requested rate increase to increasing energy costs. However, he noted that 6.1 percent of the increase is related to the County's debt service policy. He said additional financial analysis is needed and suggested that the debt service policy be addressed separately from the energy cost issue. Dr. Davidson said the King County Executive is requesting a provision to allow contracts to be renegotiated at any time.

In response to Mr. Degginger, Ms. Bennett said electricity rate increases in relation to the operation of water and wastewater treatment plants were not anticipated by the County.

In response to Mr. Noble, Ms. Bennett said the County would like to amend its contracts with jurisdictions to allow the County to impose a temporary surcharge in special situations such as the current energy shortage.

A majority of Councilmembers expressed that the energy cost issue should be addressed separately from the debt service issue. Dr. Davidson said a preferable approach might be to consider surcharges to customers rather than modifying base rates, given the volatility of electricity rates at this time. He said the King County Executive is not in favor of such an approach.

Moving on, Regional Issues Manager Diane Carlson said the Puget Sound Regional Council will hold its annual General Assembly on March 29, at which time member jurisdictions will be asked to approve PSRC's Biennial Budget and Work Program for Fiscal Years 2002-2003. A second General Assembly will be held on May 24 to take action on the Destination 2030 plan.

- Mrs. Marshall moved to appoint Mayor Mosher to cast Bellevue's vote at the PSRC General Assembly, and Mr. Degginger seconded the motion.
- The motion to appoint Mayor Mosher to cast Bellevue's vote at the PSRC General Assembly carried by a vote of 7-0.

Ms. Carlson noted that PSRC's budget has been reduced due to completion of their work on Destination 2030 and the reduction of five full-time employees. In response to Mr. Creighton, Ms. Carlson said the budget was developed by PSRC's Operations Committee. In response to Mr. Degginger, Ms. Carlson said membership dues will remain the same as last year followed by a 3 percent increase in 2002. Ms. Reed said PSRC has been working the past couple of years to reduce its dependence on state and federal funding sources.

- Mrs. Marshall moved to support PSRC's Biennial Budget and Work Program for Fiscal Years 2002-2003, and Mr. Creighton seconded the motion.
- The motion to support PSRC's Biennial Budget and Work Program for Fiscal Years 2002-2003 carried by a vote of 7-0.

Ms. Reed noted packet materials regarding issues discussed at the recent National League of Cities conference in Washington, D.C. She said legislation regarding pipeline safety and the

I-90 corridor are not progressing as Bellevue would like, and she offered to prepare letters for the Mayor's signature on these issues.

Mr. Degginger commented that U.S. Representatives and Senators have made it clear that I-90 is a regional priority. He said staff from U.S. Representative Jennifer Dunn's office will continue to pursue the issue. Mrs. Marshall feels citizens do not fully understand the importance of the I-90 project in relation to the upcoming Access Downtown project for Bellevue and I-405. Mr. Degginger added that I-90 is the fastest and least expensive project to provide congestion relief in the region.

Mayor Mosher suggested requesting Representative Dunn's support of a bill needed to continue the state's pipeline inspection program.

Turning to the state legislative update, Ms. Reed noted that members of the Human Services Commission were in the audience. Attachment 2 (Page 37) is a letter from the Commission requesting Council's support of three issues: dental care funding for low-income adults, the Workfirst program's current child care requirement, and mental health funding. Ms. Reed said the bill regarding Workfirst has died in the state legislature.

- Mr. Lee moved to direct staff to draft a letter in support of the Human Services Commission's position on continued funding for dental care for low-income adults and mental health services. Dr. Davidson seconded the motion.

As a dentist, Dr. Davidson does not understand why the State wants to eliminate dental benefits for Medicaid-eligible adults. He said dental care is an important part of overall health care.

Mr. Noble supports the Human Services Commission's position on both issues. Mrs. Marshall concurred.

- The motion to direct staff to draft a letter in support of the Human Services Commission's position on continued funding for dental care for low-income adults and mental health services carried by a vote of 7-0.

(c) King County Metro September 2001 Services Changes

Kris Liljeblad, Assistant Transportation Director, said the Bellevue Transit Plan was last updated in 1994. In recent meetings with community groups throughout development of the Local Transportation Vision, Mr. Liljeblad said citizens often commented on the need for improved transit service in Bellevue. Mr. Liljeblad said Franz Loewenherz, Senior Planner, has been coordinating Bellevue's planning efforts with King County Metro's update to its Six-Year Transit Plan.

Mr. Liljeblad provided a brief transit history. Bellevue's 1994 Transit Plan provided input to King County Metro's Six-Year Plan adopted in 1995. Passage of the Regional Transit Authority (Sound Transit) ballot measure in 1996 provided the funding source for several Bellevue transit projects including Transit Center Expansion and Access Downtown. Passage of Initiative 695 in 1999 led to reductions in Metro service for the Eastside beginning in February 2000. Since that

time, Sound Transit Regional Express introduced new service between Bellevue and Seattle, Everett Mall, Lynnwood, Federal Way, and SeaTac Airport.

Mr. Liljeblad displayed a schedule of local and regional transit planning efforts. The Bellevue Transit Plan will be updated in three phases. Update of the service element of the plan will be completed this spring, followed by updates to the capital and policy elements through early 2002.

Mr. Loewenherz thanked the Bellevue Transportation Commission, Metro, and Sound Transit for their work on this project. He distributed maps depicting areas in Bellevue that lack 30-minute service frequency at various times on both weekdays and weekends.

Mr. Loewenherz described Metro's service changes to be implemented in September 2001 for East King County. The September change represents one-third of the total hours Metro intends to add over the next six years. Of the 80,000 service hours to be added for the East Subarea, 10,000 are new hours and 70,000 represent hours that were credited to the East Subarea when Sound Transit took over some of Metro's Eastside routes (commonly referred to as banked hours).

Deputy Mayor Marshall asked whether the East Subarea is getting its fair share of service hours, considering the large portion of banked hours. Mr. Loewenherz said Metro is obligated to invest 28 percent of its new hours into the East Subarea over the six-year plan. Mr. Liljeblad said service hours previously provided were not necessarily the most direct and effective transit service. Staff is working to identify ways to improve service coverage and frequency for Bellevue with the intent that this information will guide the implementation of additional service hours in the coming years.

Mr. Degginger echoed Mrs. Marshall's concern about the application of the banked service hours. He noted that Bellevue has worked to meet its growth management targets by increasing density in the downtown and creating jobs. However, Bellevue is not receiving adequate transit service to accommodate this development. Mr. Degginger feels the allocation formula is flawed. He said some cities in South King County have not met their growth management targets or created new jobs.

Mr. Liljeblad explained that staff has been focused on the service element of the transit plan at this point. Transportation Director Goran Sparrman said staff shares the concerns expressed by Council. He assured Council these policy issues will be discussed with Metro over the coming months.

Mrs. Marshall noted that Bellevue citizens are taxed for Sound Transit and Metro services. However, service hours between Seattle and the Eastside are allocated to the Eastside which she feels is unfair.

Mr. Degginger observed that the draft letter to King County regarding Metro service (Page 3-5 of the Council packet) does not adequately communicate that Bellevue's growth in population and employment warrants dramatic service improvements.

In response to Dr. Davidson, Mr. Sparrman said Metro's subareas are not the same as the subarea equity concept provided in Sound Transit's plan. Mr. Sparrman said this will be addressed in future policy discussions but he cautioned there is no surety that Metro will follow a subarea equity approach. Dr. Davidson expressed frustration that Eastside citizens are taxed for transit services but do not receive their fair share of services. Mr. Sparrman said staff has been focused on the service aspect of the plan. He understands that Council would like staff to communicate a stronger message to Metro regarding subarea equity and related policy issues.

Continuing with the presentation, Mr. Loewenherz said the goal of Bellevue's service recommendations is to provide the community with urban quality transit service and identify a network for future route enhancements. The recommendations are consistent with Council's transit priorities for service to key activity centers and neighborhoods, as well as improved downtown circulation.

Mr. Liljeblad reviewed the next steps for updating the Bellevue Transit Plan:

- Six-year (2002-2007) Transit Plan recommendations will be presented to Council on April 9, 2001.
- Capital and Policy Plans will be updated through 2001.

He requested Council direction to transmit staff's recommendations to King County Metro for consideration in the September 2001 service change.

Mr. Degginger feels Bellevue should take a more aggressive approach with the County in lobbying for transit services.

In response to Mrs. Marshall, Mr. Loewenherz said Metro plans to implement two new routes in September to serve Issaquah. He said if Metro plans to eliminate the current direct service between Factoria and downtown Seattle, Bellevue staff is recommending that the new Issaquah routes include a stop at Factoria. Mrs. Marshall noted plans for increased development and density in the Factoria area. She suggested the letter to King County should: 1) include Bellevue's recommendations for implementing the new 80,000 service hours in September, and 2) communicate that Bellevue's growth and increased density warrant significant improvements in transit service. She feels the City should ask for more service hours.

Mr. Degginger feels the City is limiting itself by focusing on just four activity centers in terms of transit service. He would like to see improved service to neighborhood shopping centers as well as to neighboring jurisdictions. He pointed out that most of the service hours to be implemented in September are not new but represent banked hours that resulted when Sound Transit took over some Metro Eastside routes. Mr. Loewenherz said staff members have communicated Bellevue's interests to Metro. Mr. Liljeblad noted that Bellevue's service recommendations address local connections such as a recommendation to de-emphasize service at Eastgate and increase service for the Factoria area.

In response to Dr. Davidson, Mr. Loewenherz said Bellevue's recommendations will greatly improve service frequency if implemented. Mr. Liljeblad noted that 75 percent of the recommendations in Bellevue's 1994 plan were implemented.

Mr. Lee feels the Bellevue City Council's transit vision should be articulated in the letter to King County.

Mrs. Marshall suggested the letter to King County should reiterate Bellevue's request for a seat on the Regional Transit Committee.

Mr. Noble noted that Bellevue is included in Metro's East Subarea. He would like to see Eastside cities join together to lobby for more Eastside service hours. Mr. Loewenherz said Bellevue has coordinated transit planning with other jurisdictions. He noted that 28 percent of Bellevue's recommendations represent service connections to other Eastside communities. Staff will return to Council on April 9 to discuss long-term recommendations for the six-year plan, while today's discussion addresses service hours to be implemented this September.

Mr. Noble disagreed specifically with a recommendation to eliminate Route 256 and reinvest these resources in service between Overlake/Microsoft and Capitol Hill. He noted that the substitute Sound Transit route does not stop at the South Kirkland Park and Ride or serve NE 20th Street in Bellevue.

Commenting on interjurisdictional coordination, Mr. Sparrman said some jurisdictions do not have the resources to adequately analyze transit services and participate in regional planning.

Mr. Degginger noted that King County Executive Ron Sims chairs the Growth Management Planning Council. He feels discussions at GMPC must be carried over into regional transit planning and that the goals of growth management will not be attainable without adequate transit service. Mr. Degginger emphasized that citizens are paying for transit services through sales tax collections as well as by paying fares when transit is used.

Mayor Mosher discussed citizens' growing frustration with traffic, roads, and transit service. In response to Mr. Mosher, Mr. Sparrman said staff's arterial classification review is underway and will be presented to Council later this year. Councilmembers requested copies of the City's current arterial classification map.

Mr. Sarkozy said staff will revise the letter to King County Metro for further Council review.

(d) Water Supply Update

Utilities Director Lloyd Warren reported on the current water shortage and the anticipated scenario for the upcoming summer. This water shortage could be as severe as what the City experienced in 1992 with a potential budget impact of up to \$2 million. Mr. Warren noted that policy direction will be requested from Council later in the presentation.

Following the water shortage in 1992, the City developed a contingency plan with the following four stages of response: advisory, voluntary water conservation, mandatory conservation, and emergency situation. Mr. Warren said staff's recent preparations include:

- Monitoring supply conditions and coordinating with Seattle since January.

- Advisory Stage was implemented on February 26.
- Maintenance activities within the City have been modified to reduce water use.
- Voluntary water conservation will likely be implemented in early April.
- Internal plans and public information strategies for the summer are nearly completed.

Mr. Warren said a mandatory restriction on lawn watering may be needed this summer. He requested policy direction from Council regarding four areas:

- Exemption from watering restrictions for new lawns.
- Exemption from watering restrictions for certain types of irrigation systems.
- Exemption from watering restrictions for City parks.
- Rate surcharges.

Mr. Warren said staff is not recommending surcharges at this time but they may become necessary in the future. In response to Mr. Lee, Mr. Warren said the Environmental Services Commission has been apprised of the situation but has not provided any policy recommendations at this time. Mr. Lee encouraged staff to publicize to the community actions taken to date to address the water shortage.

In response to Mr. Lee, Parks and Community Services Director Patrick Foran said the voluntary stage of the plan triggers a 50 percent reduction in the Parks Department's water use. Irrigation systems for trees and shrubs would continue to operate in order to preserve these investments.

In response to Mr. Creighton, Resource Conservation Manager Mike Jackman said residential water restrictions through the mandatory stage apply only to turf areas and not to trees and shrubs. Mr. Creighton encouraged staff to communicate this clearly to the public because many citizens assume that a restriction on watering applies to all outdoor vegetation. In further response, Mr. Jackman said private parties exempt from watering restrictions would be required to post signage explaining the nature of the exemption. Noting his experience in California, Mr. Foran suggested the Council consider incentives to encourage citizens to implement long-term conservation practices.

Mr. Noble questioned the delay in implementing voluntary conservation measures. Mr. Warren said Bellevue is following Seattle's lead on this issue. Mr. Jackman said Seattle is reluctant to initiate voluntary conservation because of financial impacts to the water utility and concerns about the impact on the landscaping industry. Mr. Noble feels the exemption for new lawns should apply to lawns installed within the past year instead of just the current calendar year as is Seattle's policy.

Mrs. Marshall suggested it is counter-intuitive to allow new lawns and landscaping to be installed, particularly for newly constructed homes.

In response to Mayor Mosher, Mr. Jackman said a lawn watering ban was implemented immediately during the 1992 shortage. The City's current plan allows a progression toward that step with interim watering restrictions according to specific days and/or times.

Dr. Davidson commented on the importance of a consistent regional message regarding water conservation measures.

- ☞ Dr. Davidson moved to support staff's recommendations on page 3-27 of the Council packet, which provide exemptions from watering restrictions for new lawns, ET-controlled irrigation systems, and specific City parks and sports fields, and postpone a decision on rate surcharges until and unless such action is needed. Mrs. Marshall seconded the motion.

Mr. Creighton said he is somewhat divided on the issue. He expressed concern that providing an exemption for new lawns might encourage people to go ahead and plant new lawns now. At the same time, he has heard concerns from the landscaping industry about the negative effect of water restrictions on landscaping jobs.

In response to Mr. Degginger, Mr. Jackman said there are no restrictions in residential areas on the size of a new lawn that could be exempted.

Mr. Noble reiterated his concern regarding the definition of a new lawn (planted within past year versus current calendar year). Jerry Nissley, Parks Resource Manager, noted that lawns provide protection from wind and water erosion.

- At Mayor Mosher's request, Dr. Davidson and Mrs. Marshall agreed to amend the motion to postpone action on the exemption for new lawns until staff can provide more information to Council.
- ☞ The motion to support staff's recommendations providing exemptions from watering restrictions for ET-controlled irrigation systems and specific City parks and sports fields, and postponing a decision on rate surcharges until and unless such action is needed, carried by a vote of 7-0.

Mr. Warren noted that the Lake Tapps project has received a preliminary permit from the Department of Ecology to proceed with analysis of the proposal to utilize this water supply.

At 9:45 p.m., Mayor Mosher declared the meeting adjourned.

Myrna L. Basich
City Clerk

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